



# SANTA BARBARA FOUNDATION

SNAPSHOT VIEW - DECEMBER 31, 2018

## FOCUS INCOME BLEND PORTFOLIO OVERVIEW

The Focus Income Blend Portfolio is invested in a diversified mix of liquid assets designed to provide more stable capital appreciation on a total return basis. The portfolio has more exposure to fixed income than equities in an effort to focus on stability over long term returns. The portfolio is more conservative than the other portfolio options and, as a result, has a lower expected return with lower volatility. Distributions from the portfolio are not restricted by a spending policy limit.

**Investment Advisor:** Meketa Investment Group

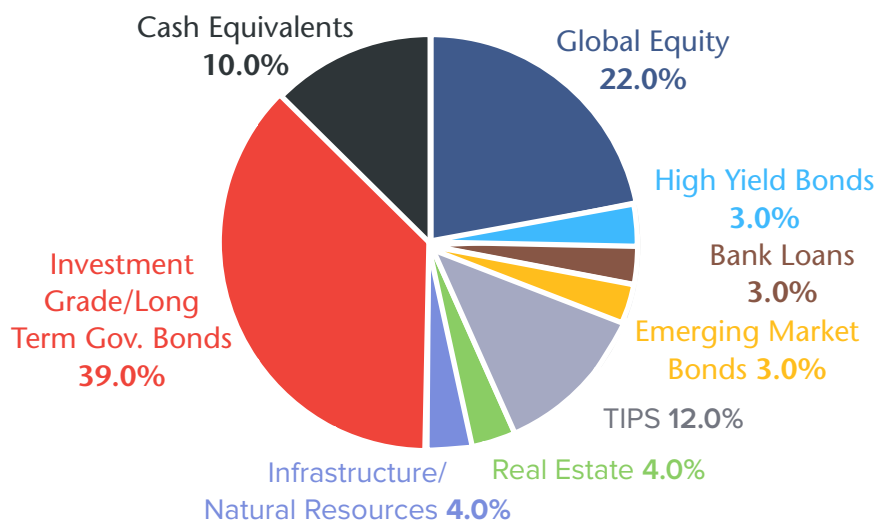
**Total Invested Assets:** \$4.71 MM as of December 31, 2018

### Portfolio Expectations:

Expected Return (20-year)	5.75%
*Standard Deviation	6.57%
**Sharpe Ratio	0.43%

## FOCUS INCOME STRATEGIC ALLOCATION

<u>Growth</u>	<u>Percent</u>
Global Equity	22.0%
<u>Income</u>	
High Yield Bonds	3.0%
Bank Loans	3.0%
Emerging Market Bonds	3.0%
<u>Inflation Hedges</u>	
TIPS	12.0%
Real Estate	4.0%
Infrastructure/Natural Resources	4.0%
<u>Risk Mitigating</u>	
Investment Grade/Long Term Government Bonds	39.0%
<u>Cash Equivalents</u>	
Cash	10.0%



## PORTFOLIO PERFORMANCE

	QTD	Last 12 Months	3 Years	5 Years	ITD June 2011
<b>Focus Income Blend</b>	-2.6%	-2.4%	3.6%	2.6%	3.2%
<b>Focus Income - Policy Benchmark</b>	-2.6%	-2.8%	3.9%	3.3%	3.8%

Policy Benchmark is composed of 22% MSCI ACWI / 3% BBgBarc US High Yield 2% Issuer Cap TR / 3% Credit Suisse Leveraged Loans / 3% EMD Custom Benchmark / 12% BBgBarc US TIPS TR / 4% FTSE EPRA/NAREIT Developed Liquid Index USD TR / 4% S&P Global Infrastructure Net TR USD / 30% BBgBarc US Aggregate TR / 9% BBgBarc US Treasury Long TR / 10% 91 Day T-Bills.

The Policy Benchmark performance is derived by multiplying the long-term policy target for each asset class by the index return for each asset class. The Policy Benchmark index return does not include fees. The Performance for the Focus Income Blend Portfolio is net of all investment related fees (investment management, consulting, and custodian fees). The aggregate fees for the Focus Income Blend is 0.42% as of 12/31/18.

\*Standard Deviation: A statistic that tells how tightly a set of numbers are clustered around the mean. It is used to help evaluate the volatility or risk, inherent in a security or portfolio. The standard deviation of a series is a measure of the extent to which observations in a series differ from the arithmetic mean of the series. For example, if a security has an expected average annual rate of return of 10% and a standard deviation of 5%, then two-thirds of the time or 68% of the time, one would expect to receive an annual rate of return between 5% and 15%.

\*\*Sharpe Ratio: A measure of portfolio efficiency and a commonly used measure of risk-adjusted return. The sharpe ratio indicates excess portfolio return for each unit of risk associated with achieving the excess return. The higher the sharpe ratio, the better the fund's historical risk-adjusted performance.

Updated: March 2019